NON-OFFICIAL BILLS.

1. The Cochin Agriculturists' Debt Relief Bill.

Mr. A. V. Moothedan (*Chalakkudi*): I rise to move that the Cochin Agriculturists' Debt Relief Bill be read in Council.

It is at this stage that the House considers the general principles of the Bill and it is my duty to explain to the House the general principles. But before I do so, it is highly necessary that I should answer a preliminary objection that may be raised against the introduction of this Bill. It is quite apparent on the face of the Bill that it seeks to interfere with contractual relations already entered into between a debtor and a creditor. Has the State such a power of interference into the sacred contracts entered into by parties? My answer is that under ordinary circumstances the State should not as a matter of policy and principle interfere with the freedom of its citizens to execute any lawful contract or enforce the terms of any contract already entered into. But we are passing through extraordinary circumstances and under extraordinary circumstances extraordinary remedies have to be applied. For instance under ordinary circumstances, a doctor cannot inflict a wound upon the body of a healthy person but if his life is in danger and if an operation is absolutely necessary a doctor can cut through his body. Similarly when there is no economic depression, when everything is lovely in the garden, the State should not curtail the freedom of a citizen by legislation of this kind. On the other hand at a time like this when we are passing through an economic depression most unprecedented in the history of not only Cochin but the whole world, when the price of the agricultural commodities have gone down by more than half, the State is perfectly justified in introducing relief measures like this. This fact has been recognised by our Government so long ago as the 2nd March 1934 when the following order was passed by our Government (vide L-6-3309/109). "On account of the prevailing depression, the agriculturists in the State find it difficult to pay interest on debts incurred by them before the depression began. Owing to the precipitous fall of agricultural prices, debt incurred by agriculturists five or more years ago on the security of their lands have now been increased by anything up to 300 % in terms of agricultural commodities, and the rate of interest has as a necessary consequence been similarly raised. In these circumstances it seems to Government desirable to consider if any relief can be granted to agriculturists by temporary legislation to restrict retrospectively the interest on existing loans."

It may be remembered in this connection that some debtors have become desperate on account of their inability to pay their

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debt. During the Vrischigam session in answer to my question on the floor of this House it was said that one P. K. Augustine of Azhikkal committed suicide because he was unable to pay his debts. In the letter found in his body the following passage occurs:

ഫ ഫ ഫ ർ വൃശ്ചികം ൨൦-൦൦നു-യിലെ കൊൺസിൽ പ്രോസീഡിംഗ്" സിൽനിന്നു ൨൫-൦൦നു കൊസ്റ്റ്യനു മഹപടിയായി തന്നിട്ടുള്ള ഒരു അപ്പ്ൻറിക്സിൽ ഉള്ള അഗസ്റ്റിൻ എന്ന ഒരാളുടെ കത്തു ഞാൻ വായിക്കാം. " ജീവിക്കാൻ ഇഹത്തിൽ വളരെ പ്രയാസമുള്ളതും സത്യത്തോടും നെറിവോടും പെരുമാറുക എന്നതാണു. എൻെറ സ്വന്തംമനസ്സാലെ ഞാൻ ഈ മരണത്തെ വരിക്കുന്നു. കാരണം എനിക്കു കടമുണ്ടു്. അതു വീട്ടുവാൻ വളരെ പ്രയാസമായി കാണുന്നു. കടം അപകടമാണു". എന്നോടു യാതൊരാൾക്കും വെറുപ്പില്ല. എനിക്കും ആരോടും വഴക്കില്ല. എൻെറ ചുമതലകളിൽ ഞാൻ ചെയ്തില്ല എന്ന ഒരു കുറ്റം എൻെറതന്നെ. ഇവിടെയുള്ള ഒരു കുഞ്ഞുപോലും എന്നോടു വളരെ ഇഷ്ടമുള്ളവരാണു്. എൻെറ ശരീരം പോസ്റ്റുമോർട്ടം ചെയ്യരുതു്. എൻെറ മരണത്തിൽ ഒരുത്തരും പങ്കാളികളല്ലഎന്നു സത്യമായി പറയുന്നു. എൻെറ വിവേകക്കുറവുകൊണ്ടു ഇതു ചെയ്യുന്നു. ഒക്. എം. എഡ്വിൽ എനിക്കു എൺപത്തഞ്ചുറുപ്പിക തരുവാനുള്ളതു് പണിക്കരോടു മാണിക്കു കൊടുക്കണം. ഈ നാട്ടിൽ സംഘം പലിശക്കു പണം കൊടുക്കുന്നതു് ശവമ്മെണ്ടു് നിരുത്സാഹപ്പെടുത്തണം. രാജ്യം അതു കാരണം നശിക്കും. എൻെറ സ്വന്തമനസ്സാലെ ഞാൻ ഇതു ചെയ്യുന്നു".

Even His Excellency the Viceroy was very much moved by the pitiable condition of the Agriculturist debtors. In his Banquet speech at Trivandrum while expressing satisfaction at the steps taken for relieving agricultural indebtedness he said: " I trust sincerely that the distress prevailing among the agriculturists in Travancore, which I hear with great regret has been so acute, may look to be alleviated and reduced." (See Madras Mail, dated 11th January 1939).

Because His Excellency the Viceroy did not make any such recommendation in the course of his Banquet speech at Ernakulam it does not mean that there is no distress among the agriculturists in Cochin on account of the burden of debt. His Excellency knew full well without any recommendation on his part, His Highness the Maharaja's Government in Cochin would do what is fair and reasonable to help the agriculturists.

Under these circumstances a Bill of this nature would not be opposed by any reasonable man who has got the welfare of the agriculturists at heart. Besides, it is too late in the day to raise this contention, because, almost eve y Province in British India and most of the native States have passed Legislation based on principles similar to that of this Bill. This theory of sanctity of contract is more honoured in the breach than in observance. In the United States of America, and in Europe, countries like Rumania and Germany have passed legislation giving relief to farmers. If our State also allow creditors to

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enforce the terms of the contract against agriculturists without any restriction, I am afraid within a decade, all the landed properties in the State will be in the hands of a few, and over 95 per cent of His Highness' subjects will be wandering about the streets without anything of their own. That is a prospect which nobody would wish for. In these extraordinary circumstances I think there is no substance in the preliminary objection.

Now I come to the general principles of the Bill. My Bill consists of 19 sections of which the first 9 sections form Part I and sections 10 onwards form Part II. Part I is based upon the general principles of the Madras Agriculturists' Debt Relief Act. The important provisions in the first Part are (i) definition of the Agriculturists and (ii) scaling down of interest. Only Agriculturists are entitled for relief under my Bill. Who is an agriculturist will be seen from section (3) of my Bill. I have tried my best to make the definition of the Agriculturists as simple as possible. All persons who earn their livelihood from agriculture will be deemed to be agriculturists. But persons even though their main source of income is from agriculture, if they are assessed under the Cochin Income-tax Act or those who are paying more than Rs. 250 by way of land revenue or if he is residing in a Municipal area, will not come under the term of agriculturists. There had been a suggestion in some newspapers that Government servants who have some landed property and are drawing only small salaries should be included in the term of agriculturists. Of course, I have no objection to this and other suggestions will be considered if the Bill is referred to the Select Committee.

In this connection a question may be asked why non-agriculturists are not given any relief under any Bill. First of all the condition of the agriculturists is more pitiable and should be redressed more urgently than the condition of the non-agriculturists. That the condition of the agriculturists is more acute than the condition of the non-agriculturists, is admitted even by the hon'ble member for Adur. There is another reason also for not including non-agriculturists in my Bill. The problem of the non-agriculturists is much more complicated and it brizzles with greater difficulties than the problem of the non-agriculturists. No British Indian province or any other native State have passed legislation giving relief to non-agriculturists. Therefore I thought it would be much wiser and more practical to tackle the problem of the agriculturists now and in the light of the experience gained to consider whether any legislation is necessary or practical for giving relief to non-agriculturists.

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There are two important provisions in my Bill for scaling down of interest. From the 1st Chingam 1107 no agriculturists shall be liable to pay interest at a rate higher than 6 per cent simple interest. The date 1st Chingam was not fixed arbitrarily. According to the Antony Committee, depression began from 1st Chingam 1107. Secondly there is the "Damdupat" theory. That is to say if the debtor has paid by way of principal or interest more than double the principal, that debt shall be deemed to be discharged. This is not a new principle so far as our State is concerned. Even before Mr. Rajagopalachariar introduced this principle in the Madras Legislative Assembly, our Legislative Council has accepted this principle. Section 16 of the Debt Conciliation Act runs as follows:

"In any scheme of debt conciliation under this Act, no creditor shall be allowed a greater amount in satisfaction of both principal and interest than twice the amount of the principal". These are some of the important provisions of Part I of my Bill.

Now I come to the second part of my Bill. In my opinion and in the opinion of the several experienced persons it is the second part, that is section 10 onwards, which is going to help most of our agriculturists. There is no such provision in the Madras Act and Dr. P. J. Thomas says that this provision will be very useful. Most of the agriculturists are immersed in debt and by the scaling down of interest or even part of the principal none of them will be helped, because their liabilities exceed very much their assets. The scheme contained in the second part of my Bill is only a humane form of insolvency proceedings. There is no shame or disability attached to a debtor applying under section 10 of this Bill. Further in the insolvency proceedings, a debtor has to walk off empty handed after filing an insolvency petition. But a debtor applying under section 10 of this Bill will get ¼ of his properties free of encumbrances. It has been suggested that a maximum has to be fixed regarding the property that will be given to a debtor. If a debtor is worth one lakh of rupees he will get under the second part of my Bill Rs, 25,000 worth of properties. Some say in that case a debtor's position is much better than that of creditor and therefore a maximum should be fixed in such cases. I have no objection in fixing a fair and reasonable maximum. This suggestion also will be considered by the Select Committee in case the House is pleased to refer this Bill to a Select Committee.

I have tried to include in the Select Committee persons holding diverse views on the matter. The Advocate General's services will be useful in two capacities. He is a great jenmi

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and also at the same time the Law Member. I don't claim that this Bill is a perfect measure without any defects. I am quite sure that several amendments and additions will have to be made at the Select Committee stage. I have included among the Select Committee Messrs. Ibrahim and Devassy, so that the suggestion contained in their Bills so far as agriculturists are concerned may be incorporated in my Bill if necessary. I request every hon'ble member of the House to consider the distress prevailing among the agriculturists. Let us put all our heads together so that, the Bill, as it may come out of the Select Committee may become a perfect piece of legislation—a model to all the Provinces and native States in India. With these remarks I commend the motion for the acceptance of the House.

Mr. K. R. Viswambharan (*Ezhuvas-Talappalli*): I second the Bill.

Mr. M. K. Devassy (*Adur*): Sir, I am moving a Bill on Monday called the Cochin Debtor's Relief Bill. Since the Bill just now moved by the hon'ble member and the Bill proposed to be moved by Mr. Ibrahim relate to the same topic I submit that this may be considered on Monday and all these Bills may be referred to the same Select Committee. My suggestion therefore is that all these Bills may be considered together and the consideration may be postponed to Monday.

Mr. President. Why postpone the consideration of this Bill? There is no provision by which we can consider more than one Bill at a time. At this stage you do not discuss the various details of the Bill, but only the general principles are discussed. Since the principles underlying all the Bills are the same there may be a comprehensive discussion on the Bill of Mr. Moothedan.

Mr. M. K. Devassy (*Adur*): If that is not possible I may have to move for the appointment of a different Select Committee to consider my Bill.

Mr. President: There is no harm in moving that the same Select Committee may be appointed to consider all the Bills. The same Committee can consider all these Bills.

Dr. A. R. Menon (*Minister for Rural Development*): Is there any objection to postpone it to Monday?

Mr. President: I have no objection if it is the general opinion of the House.

Mr. T. P. Poulose (*Kanayannur*): Sir, in order that a Select Committee agreeable to both the parties may be formed, this may be postponed.

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Mr. M. K. Devassy (*Adur*) : Some names are now suggested and I think it would be better to give some more time in order to arrive at an agreement with regard to the formation of the Committee.

Mr. President : I have no objection if it is the desire of the House that the discussion on Mr. Moothedan's Bill should be postponed.

Mr. A. V. Moothedan (*Chalakkudi*) : I accept the Hon'ble President's suggestion.

Mr. M. K. Devassy (*Adur*) : I have absolutely no objection provided we have our own committee on Monday. I thought it will be more feasible to have one committee for all the Bills together.

Mr. C. A. Kunjunni Raja (*Advocate-General*) : There cannot be different committees because the legislation is on the same subject. When that Bill also is before the House all the principles can be discussed.

Mr. President : The point is that by agreement the various movers of the Bills must arrive at a common select committee. The motion of Mr. Moothedan, is that the Bill be read in Council. We shall continue the discussion on this to-day. In the meantime you can come to an agreement as regards a common committee, and Mr. Moothedan can move for the appointment of that committee on Monday.

Mr. A. V. Moothedan (*Chalakkudi*) : They can suggest more names. Sir, the matter is very urgent.

Mr. President : The House can continue the discussion on this motion and if it is carried, then the next motion Mr. Moothedan will have to move is that the Bill be referred to a select committee. I suggest that that motion may be made on Monday.

Mr. V. J. Mathai (*Planters*) : Mr. President Sir, I was one among those, fortunate or unfortunate, few or many, who has always been holding the opinion that there should be a radical remedy for a disease which is eating into the vitals of the agriculturists of the State. It will be futile, if not vain, at this moment to go into the perennial question which has been paraded in this House *ad nauseum* that the agriculturists are in a deplorable plight. That fact has been recognised by the Government with great sympathy and appreciation and the Government has done much in the direction of the alleviation of the distress of the agriculturists. That being so I shall not waste

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my breath upon the wretched question as to whether agriculturists are immersed in debt up to the nose or further. I may take a few minutes of this House only for discussing the ways and means of alleviating the distress of the agriculturists. We have now on the Statute Book an Insolvency Act which does not go very far because as Mr. Moothedan himself expressed the Insolvency Act gives the debtor only his necessary wearing apparel as the schedule of assets to any insolvency petition will show "പായ 1, തലയിണ 1, ഉടുക്കുവാനും 2". In fact these are the things exempted under the Insolvency Act. I submit that this is what ought not to be because an agriculturist cannot cultivate lands without bulls. He cannot raise any food or fodder crop without land. Therefore, to tell an agriculturist that he must go away from the Insolvency Court without anything in his hands is just like telling him that he must go to the deepest part of the world. That I suppose is not good for the safety of our State. This working of the Insolvency Act along with the Civil Procedure Code which also leaves nothing to the agriculturist in the way of the rehabilitation of this industry has now given great strength to the socialist movement. It is common knowledge that a socialist now sits at the head of the mighty congress organisation, that the socialists have captured a majority at least in Kerala. It is all due to the unsatisfactory working of the Civil Procedure Code and the insolvency Act. I need not go further or deeper into that question. Suffice it to say that the evil exists and that a radical remedy is necessary. If I may quote from my own words in my budget speech, "vital diseases require radical remedies and it is not enough to say 'Well, you are suffering from heart disease. I will touch a little iodine on the chest". I say a deep disease requires a redical remedy and I am one with those who hold that the time has come for such a remedy. In fact that time is past. Therefore, the only question is to inquire and find out as to what are the remedies. I am in full agreement with the principal provision in the Bill now submitted before the House that the agriculturist debtors should be sent away with something in their hands and that something seems to be in equity one-fourth of what they possessed. I find that the Congress Government of Bombay has now put forward a proposal for the purpose of securing to the agriculturists one-fourth of what he possessed in this world. In this connection I may draw the attention of this House to the doll-like antics of our Debt Conciliation Board. In answer to a question which I put in this Council it was stated that out of 617 applications received by the Debt Conciliation Board only 37 had been conciliated at that time. I may assure this House that most of them were conciliated out of disgust of

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the proceedings carried on there. The Debt Conciliation Board does not go any way at all. They have no power. They ask the debtors and the creditors to come to an agreement. Under the present rules the Board is powerless to compel them to come to any agreement at all. Therefore, what is required is the establishment of a Debt Conciliation Board in every taluk to mete out justice to the poor debtor who appears before the Board. As I said the best remedy seems to be to give a portion of the possessions of the debtor and then send him out at the first moment possible so that he may go and work for his living. What obtains at present is that from the first moment of putting in the application all his efforts are used to find money for application, for notice batta, vakil's fee and he has to waste a lot of time before the Board which time he could have profitably devoted for the working of the land. Therefore, when an application comes the first question should be as to how to send away the debtor with the necessary requisites for restarting the industry which he used to work and the best remedy seems to be to enquire into the matter immediately and if it is found that he is a debtor in every sense of the word and an agriculturist then give not a moiety, but a moiety of moiety and send him away. I am in full agreement with the radical remedies now provided for in this Bill and I would not take up any more time of this House except saying that—I believe I voice forth the opinion of the vast majority of the agriculturists—I am in strong support of the necessity of the introduction of a Bill. I am not unaware of the fact that you are taking away the sanctity of contracts. No doubt, contracts are sacred. But the sanctity of contracts has been cut into by the Government itself, by the Insolvency Act. The sanctity of contracts has been cut into by the Government by the supply of electric lights, etc. We are taking money from people. The contract is only to supply the necessities of State. But we utilise that money to construct public roads and for electric lights even for people who do not pay. The Government has done all that for the safety and well-being of the State. In very many instances the sanctity of contract has been encroached upon and when there is necessity for an extraordinary remedy the Government should not stop at encroaching upon the sanctity of contracts.

The next thing will be whether such a Bill will be injurious to the interests of a few. No doubt, in all these matters there will certainly be an encroachment upon the prosperity of a few. It has been the fact underlying every legislation in the whole world that the needs of the majority s ould always prevail over the needs of a small minority. With these few words I again

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express my complete agreement with the proposals embodied in this Bill.

*Mr. L. M. Pylee (*Latin Christians—Ernakulam*) : Mr. President, Sir, I have great pleasure in supporting the Bill that has been introduced just now. At the very outset I may say that I agree with the principle of the Bill. Since it is only the general features of the Bill that have to be considered now, I won't take the liberty of going into details. But I would request the hon'ble members of the House to bear with me a little for briefly stating the general aspects of this problem. As the hon'ble members are well aware, the problem of agricultural indebtedness has been facing most countries, and Governments of most of the countries of the world have taken special measures to solve this problem. I may mention in this respect Germany, France, Switzerland, Italy, Greece, Hungary, Rumania, Checko-slovakia, Yugoslavia and Poland. In all these countries for some time past we find that such legislative measures have been passed in order to meet this world-wide problem. I am not mentioning these countries from imagination because these countries are mentioned with reference to the special measures by articles written by G. Constanso in the International Review on agriculture from January to April 1936 and these articles have been referred to by statesmen in India in the course of legislation, notably the Madras Premier last year. In India, Sir, the problem of agricultural indebtedness has been very very keen from time immemorial owing to the peculiar conditions in our country. But of late, since the advent of the economic depression, that problem has become thousandfold worse and in 1934 the Madras Government appointed a special officer to inquire into the problem of agricultural indebtedness. That officer was Mr. W. R. Sathyanadan, I. C. S., who published his report. In that report he has estimated that the burden of debt of agriculturists in this Presidency is about 200 crores of rupees. We also know that various provincial Governments have enacted legislation in this respect, and the Madras Agriculturists' Debt Relief Act passed last year, I should think, is a land mark in the history of legislation in India. Sir, we have reached a stage when we could no more be satisfied with voluntary schemes. Everywhere it is now recognised that compulsory schemes are necessary if this problem has to be solved and solved effectively. Voluntary Schemes like Debt Conciliation Boards and organisations of such nature can no more effectively nor sufficiently solve the difficulty of the agriculturists, burdened with debt, in many cases age-long debts. Therefore, there can be no doubt about the necessity of introducing compulsory legislation of the kind

*Speech not corrected by the hon'ble member.

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mentioned in the Bill before us. In the Bill itself, Sir, the great feature is the principle of *damdupet*. This principle is a wholesome principle of ancient Hindu Law, and it means that no creditor should receive from a debtor more than twice the amount he has actually lent. The amount which he receives ultimately must not exceed twice the amount that he lent. That is the wholesome principle of ancient Hindu Law and that is now resuscitated to serve a purpose of solving a modern problem. In this connection I would draw the attention of the House to the conditions that have been mentioned by the Special Officer.

Mr. President: I think it is better to explain the principle of *damdupet* so that the non-lawyer members also may understand it. The principle of *damdupet* is that a court shall not at any time give as decree more than twice the amount that has been lent. It does not mean that he cannot receive more than twice the amount lent. The sages of old were not so radical as that.

Mr. C. A. Kunjunni Raja (*Advocate-General*): As regards this State there is a decision in 5 Cochin to the effect that the doctrine of *damdupet* is not applicable here.

Mr. President: Suppose a person has lent Rs. 100 and he has already recovered Rs. 200, and again files a suit for the recovery of the balance of Rs. 250. According to the statement made by the hon'ble member the creditor will not get anything. That is not the law. The Court cannot give at that time any decree for more than Rs. 200. That is the law. There is a great deal of difference between the two.

Mr. L. M. Pylee (*Latin Christians—Ernakulam*): The general principle is that not more than double the amount can be drawn. Anyhow I am thankful to the President for the elucidation.

In the report of Mr. Sathyanadan the conditions of *damdupet* are described and these are very common features in our State also. A creditor having advanced the money no more bothers the debtor for a very long time and the whole property of the debtor is taken away by the creditor.

The second and third conditions are also very common feature among us, viz., that a creditor knocking away the entire property of an agriculturist for a portion of the debt and for the balance getting him arrested. This feature embodied in the present Bill is to my mind the greatest and the best feature of the Bill. In one respect the Bill even goes beyond the Madras Act for the Madras Act applies the principle only

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to debts incurred before the 1st of October 1932 and still outstanding after 1937. But in the Bill now before the House we find the principle is applied to all outstanding debts. In another respect we find that the Bill is not so revolutionary as the Madras Act because in the Madras Act there is a provision by which interest outstanding on the first of October 1937 incurred on or before 1st of October 1932 is simply wiped off. That provision of that Act is considered to be very revolutionary. Here a certain percentage of interest is fixed for all debts and the only point is that from 1107 interest will be calculated at a certain rate. There can be no dispute about the principle of the Bill. However, one or two possible objections I may mention here. One objection that is likely to be made is that the Bill would encourage improvident and wasteful habits. This objection is already answered, because there Mr. Sathyanadan finds that only 1/10 of the burden of debt could be traced to expenditure on ceremonials of different kinds. According to the view expressed in that report—and I suppose the same is the condition here also—9/10 of the debt was borrowed for agricultural purposes, either for improving the land or for other agricultural purposes. Then again it is mentioned there that a large portion of the indebtedness goes towards the repayment of earlier debts. After all, Sir, the present debts are simply old debts that have accumulated. Sometimes pronotes are renewed for amounts that have been borrowed before. Many of these debts were incurred in order to pay earlier debts. When all these things are considered, the objection, that by the provisions of this Bill, we are only encouraging improvident and wasteful habits would not stand.

The second objection that could be advanced is about the sanctity of contracts. Sir, we are all aware that under the cover of this sanctity of contracts many inequities are being committed. It is easy to take shelter under that expression 'sanctity of contracts'. We know what has been the policy on the part of Governments and in what all respects the so-called sanctity of contracts has been broken. We have only to look to the long list of elaborate legislation and the long list explaining the functions of the State to which my hon'ble friend, Mr. V. J. Mathai referred. In all these directions, it is found that the sanctity of contracts if misapplied. That has been broken in so many directions. Here is a case, where even if the sanctity of contract exists, even if a real contract exists, there is every necessity to go against it by the authority of the State. In the same connection it is found that in the so-called sanctity of contract, it has been pointed out particularly in Mr. Sathyanadan's report, that creditors and debtors are not on equal terms. The so-called

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contract is a sham one, an agreement between a helpless debtor and a powerful creditor. And to call it a contract and to bring it under the term 'sanctity of contract' is a perversion of ideas and a perversion of language. Therefore the question of sanctity of contract cannot arise here. Even if there is a real sanctity of contract, this is a matter in which that could be broken. This is a very serious malady eating like a canker into the very vitals of society.

Another point that has to be remembered is this. We know that a large part of the debt of agriculturists has been incurred for agricultural purposes and it is found that the return from agriculture is only two to five per cent on an average. It has been calculated by eminent economists that the average will come to only three per cent. But the interest on debts incurred for agricultural purposes varies from six to 36 per cent. If I have borrowed money for agricultural purposes and if my return is only three per cent from it and if my creditor is going to take from me six to 36 per cent, will it not be inequitous to take that rate of interest from my meagre income? Lastly Sir, a well known argument againt this sanctity cf contract is that in most of these debts interest has been calculated on the basis of the prices that prevailed before the economic depression set in. The prices of commodities have fallen immensely since. We are finding everyday the level of prices falling. Therefore, to take into consideration the same level of interest calculated on the basis of that old price level, would certainly be unjust. In this matter I will quote here the words of the Madras Premier in the Madras Legislature when the Bill was introduced there. He spoke about the sanctity of contract and in this respect he said: "There is something more sacred than the mere word of a document. Indians do consider contracts sacred, but they do not consider interest as sacred." Those are the words used by the Madras Premier in that connection. Therefore to fall back upon the sanctity of contract as an objection will not be correct.

The last objection I may mention is the cry of 'socialism'. I do not find anything socialistic in this Bill. The tendency now-a-days is to say that everything is socialistic. Whenever there is a little trouble, if I give a little help to a beggar, there are people who say that it is socialism. Whenever there is a little discontent, whenever people ask for their legitimate rights, it is called 'socialism'. I would answer, Sir, here is a measure which if accepted would be a safeguard against socialism. If there are people who are afraid of socialism they must instead of banning this socialism, accept this Bill, because in reality this will be a safeguard against socialism.

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In section 10, Sir, it is said: "When an agricultural debtor is unable to pay his debts even after the scaling down of his debts under sections 6 and 7, he may apply for relief to the District Court within whose jurisdiction the property is situate: Provided that his debts amount to Rs. 500 or more." I think the limit of Rs. 500 or more is not at all advisable. Because the protection that is provided for in the succeeding sections, is afforded only to those whose debts are Rs. 500 or more. I would ask the hon'ble mover of the Bill, what about those large number of people, the large crowd of them, having debts below Rs. 500? Are they not going to be protected? Are we going to protect only those whose debts are above Rs. 500? I think, Sir, it is not advisable to fix this limit of Rs. 500. Sir, since I do not think anything disputable on the general principle and general provisions of the Bill I do not venture to take more of the valuable time of this House. I appeal once more that this Bill be accepted by the House so that the great distress that is prevailing among the peasant population, among the agriculturists, may be assuaged. Here is a radical situation which requires a radical remedy. Our agriculturists are falling into decay. It was only yesterday that the hon'ble member Mr. Ayyappan moved that these people must find their homes among the hills, forests, etc. All that shows the decay into which the agriculturists have fallen. The main reason for this decay seems to be the heavy burden that these poor animals are carrying on their backs. As time goes on this burden only increases. I request that the Government may be pleased to accept this Bill and thereby solve this acute problem of distress and misery prevailing among the agriculturist population of our State. I also appeal to the hon'ble members of this House to sympathetically consider this Bill and give their wholehearted support to it.

മിസ്റ്റർ. കെ. എസ്സ്. പണിക്കർ: ഈ സംഗതിയിൽ ഗവർമ്മേണ്ടിന്റെ മനസ്ഥിതിയെന്തെന്നു അറിഞ്ഞാൽ കൊള്ളാം.

Mr. President: Government would like to know probably what the hon'ble members have to say.

Mr. V. J. Mathai (*Planters*): Are we to take it that the Government are sympathetic?

Mr. K. Achyuta Menon (*Diwan Peishkar*): We would like to hear what the hon'ble members have to say first, and then we will be able to meet their points.

Mr. M. K. Devassy (*Adur*): There have been no opposition so far and we wish to speak only if there is any opposition.

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Mr. President: The Diwan Peishkar will explain the Government position.

Mr. K. Achyuta Menon (*Diwan Peishkar*): The position of the Government is this. This Bill purports to be, in terms, if not the exact reproduction of the Madras Act, in the main, a reproduction of that Act with certain modifications. Even in the case of the Madras Bill, it must be within the experience of every hon'ble member of this House, that that was not a Bill which was passed without a considerable amount of opposition from very well-informed quarters. It started as a controversial measure and apart from the fact that it was passed, the volume of opposition still remains both strong and intense. Now that Bill is sought to be extended into this State. Those who have followed the debates of the Madras Council would have found that the opposition was from people fully qualified to pronounce an opinion in the matter. The first thing which this Government in considering this Bill has to take note of is that it is not a non-controversial measure. Opposition is both strong and well-directed. Adverse criticisms have been made in this case by people very well qualified to express opinions in the matter and of people who have been conversant with the courts. We have next to consider the effects of such a Bill upon the State as a whole.

It is not necessary for our purpose nor are we going to rely upon the sanctity of contracts. Government do not propose to argue that merely because there is a contract, it will not be interfered within appropriate cases. But the burden of making out a case for interference is certainly upon those who assert that the situation demands such interference. In considering the question whether contracts should be interfered within such unmeasured manner it will be relevant to consider the effect of such a measure upon the State at large.

Those who advocate this Bill and those who oppose this Bill fall easily into certain classes. There is first the debtor-class. It does not require much argument to convince the House that the debtor-class, as a whole, will be in favour of the Bill. They are the persons who stand to be benefited by this Bill. Then there are people who have got pronounced views in favour of the debtors. These are people who are interested in the debtors for various reasons. Then there are people who belong to the third category, the creditors. They certainly would oppose this Bill. So far as the Government is concerned, the Government have to look upon this Bill as a whole and see how it affects all these people as a whole and how it affects the body politic,

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Those who supported the measure are perfectly right in saying that this agricultural indebtedness is a deep seated disease. The question we have to consider is whether this is the best remedy. There are two kinds of remedies. There are, what I may call, local remedies, in the nature of palliatives and there are remedies which affect the system as a whole. What the Government ought to be convinced is not about the efficacy of a remedy which temporarily alleviates the disease—as for instance the amputation of an offending organ—but the repurcussions of the applications of that remedy upon the entire body politic. The remedy proposed here is to my mind one which would have serious after-effects upon the system. The disease may be desperate. It may be eating into the very vitals of the system; but if the remedy suggested is such as would make the entire body politic lose its vitality, then the remedy is worse than the disease. The Government feel that the adoption of this legislation will upset the soundness of the economic system and the credit structure of the State. There is a considerable body of well-informed opinion in Madras which thinks that credit has suffered very badly there on account of this Act. Agricultural credit it is pointed out has almost stopped there. Such criticism coming from respectable and responsible sources cannot be ignored.

It has not thus been proved that this will be a beneficial piece of legislation, to the agriculturist class themselves. It has not been made out that even the persons who are sought to be benefited by the Act, would, as a matter of fact, be benefited by the passing of the Act.

Another thing that is relevant to note is that in spite of its alleged efficacy, in spite of its being said to be a panacea for all the ills of the agriculturist class, else-where in British India they have showed a reluctance to copy this measure. Some attempt is being made in Bombay but with considerable modifications. Other Governments are apparently taking time to see the effects of such a revolutionary legislation upon credit in general. Already there are indications that the credit in Madras has been affected and we see investors fighting shy of even landed property investments and are investing in gilt-edged securities mostly. The question is whether this Government should now undertake legislation of this kind. Is there necessity for us to violently interfere with the rates of interests prescribed? The two operative provisions in this Bill as far as I can see are, these. It seeks in the first place a general reduction in the rates of interest on all outstanding transactions to 6 per cent per annum from 1107, the date at which the economic depression has set

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in in this State. It does not stop there. It goes further and says that even though economic depression started in 1107 Chingam, interests paid prior to that time when there was no depression should be taken into account in calculating the amount to be decreed by courts now. There is first a statement of a proposition and next a provision the application of which would be a stultification of that proposition. The first proposition is broad-based upon the existence of repression. Then we are invited to go one more step and apply another remedy, that is to say, even if there was no depression prior to 1107 and even if at a time when the debtor was quite able to pay interest, he had paid interest, we must re-open those transactions. That is the most startling part of the legislation. There was a time when the prices were good. There was a time when the debtor was able to pay the interest. You are now saying that whatever might be the age of the transaction it is necessary for us to re-open the whole transaction even in such a case. Suppose a person takes a loan of Rs. 200 before 1107 and he has paid an amount of Rs. 190, between the year of the loan and 1114, what you now say is, that he has to pay only Rs. 10, irrespective of the time of payment and the ability of the debtor, irrespective of the date and irrespective of the rate of interest; reference was made to the principle of *damdupet*. As the President has pointed out, that is a rule entirely different from the one now advocated. The rule of *Damdupet* did not go to the extent of saying that if a man has already paid at a time when he was able to pay, that also should be taken into account in passing a decree, after reopening the accounts.

Mr. A. V. Moothedan (*Chalakkudi*): It is a modified form.

Mr. K. Achyuta Menon (*Diwan Peishkar*): The modification is in the wrong direction. The Bill seeks to scale down the debt with retrospective reduction of interest, even from before the date on which the economic depression began. That is the main objection with respect of this Bill.

Then there are other grave objections with respect to the various provisions also. If all these objections are marshalled, there will be no case for the Bill even going to a Committee, because if all these provisions are recast very little of the Bill will survive. For instance, does this Bill take note of the ability of the debtor to pay? That is the first thing which has to be looked into. Before you give a man relief, you should see whether he is able to pay.

Mr. V. J. Mathai (*Planters*): Does this affect collection of revenue?

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Mr. K. Achyuta Menon (*Diwan Peishkar*): Collection of revenue is another matter. Let us not argue about it now. If I go to the court the first question that arises is whether I am able to pay the debt or not. If I implore the mercy of the court, then the court will ask "Are you a man who deserve mercy?" There is no such thing contemplated in this legislation. The only question that is put in the Bill is whether the man's main occupation is agriculture. He can have any other subsidiary occupation. The language employed is the 'main source of income'. That reminds me of a learned Judge's remark in a case of insolvency which came up before him. A certain person appeared in the court and said "Your Lordship, I want to be declared an insolvent". The Judge asked:" Are you unable to pay your debts?" He answered "Yes". "Have you transferred any of your properties in the name of your wife or your brother-in-law". Answer "No." The learned Judge then said: "Man, you are not an insolvent, you are a broken man". An insolvent apparently is one who is unable to pay his debts but has taken care to see that his properties are transferred to his relatives before invoking the insolvency sections. That is the position here. Nothing is asked about the person's ability to pay. Suppose a debtor claims relief under this Act. There is no provision in this Regulation to enquire whether he is an honest man, whether he is able to pay, whether he has concealed his property. The courts are not at liberty to ascertain what exactly is the position of the debtor. There was some provision in the Madras Act to exclude widows. In Malabar it is generally seen that women are really the holders of property. What if the creditor is a lunatic or a minor? If he is a lunatic he would be incapable of expressing his mind. I am not exaggerating all these difficulties. All these considerations ought to come into play before mercy or the equivalent of it is demanded by the debtor. Probably my illustrations may be extreme. I am willing to concede that. But my point is that the Bill does not take into account the paying capacity of the debtor or the suffering capacity of the creditor. Government have to take into consideration the interests of both these classes and before such an insufficiently tested and drastic legislation is passed, they should be convinced that it will not injure the whole body politic or affect credit.

Mr. A. V. Moothedan (*Chalakkudi*): Sir, this Bill may be defective. But it can be remedied in the Select Committee.

Mr. President: We are discussing here the general principles underlying this Bill and the Diwan Peishkar is pointing out that in his point of view the general principles are fundamentally defective.

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Mr. K. Achyuta Menon (*Diwan Peishkar*): I have given only some of the main objections. There are very many other objections. One of the provisions in the Bill exempts people who pay Rs. 250 by way of tax from the definition of an agriculturist. Suppose he pays Rs. 50 tax here and Rs. 450 in British India. Under the Bill he will still be entitled to this relief, merely because he is not a Cochin tax payer to the extent of Rs. 250.

Mr. A. V. Moothedan (*Chalakkudi*): It is a question of detail.

Mr. K. Achyuta Menon (*Diwan Peishkar*): It is a question of substance. What I say is that both the paying capacity of the debtor and the suffering capacity of the creditor should be taken into consideration in framing legislation of this nature.

Apart from procedural defects, the Bill seeks to benefit all debtors, whatever the class to which they belong. Suppose I have deposited a sum of Rs. 100 in a bank and it is being renewed year after year. If the Bank has paid me Rs. 200 by way of interest, the bank is entitled to claim that they have nothing more to give me.

Mr. A. V. Moothedan (*Chalakkudi*): This does not affect banks, it affects only individuals.

Mr. K. Achyuta Menon (*Diwan Peishkar*): There is nothing in this legislation which exempts bankers whose main occupation is agriculture. There are hundi merchants who can claim to be agriculturists. If I have invested my money with a money lender whose main source of income is agriculture, then also I will have to suffer. Therefore what I say is, there are so many objections to this Bill on principle, procedural and technical, that the Bill itself cannot be accepted.

Mr. V. J. Mathai (*Planters*): Were all these objections taken into consideration when the Usurious Loans Act was passed ?

Mr. K. Achyuta Menon (*Diwan Peishkar*): That is a totally different piece of legislation.

മിസ്റ്റർ. കെ. എസ്സ്. പണിക്കർ: അപ്പ്രായോഗികങ്ങളോ അസാംഗത്യങ്ങളോ ആയിട്ടുള്ള ഭാഗങ്ങൾ ഉണ്ടെങ്കിൽ അതെല്ലാം തരിച്ചെടുത്തുവാൻ സെലക്ട് കമ്മിറ്റിക്ക് അധികാരമുണ്ടല്ലോ ?

Mr.K. Achyuta Menon (*Diwan Peishkar*): I first divided my arguments into two classes.—objections to the principle and objections to the procedure. Apart from the objections to the

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principles of the Bill it leaves so many essential points out of account even in point of procedure that it cannot be said that the Bill is a considered one in any respect.

Mr. President: What the Diwan Peishkar has pointed out are objections to the principles of the Bill. If we had no serious objection to the principle of the Bill, then we could have allowed the Bill to go into a Select Committee to work out the details. If we take away those two objections, i. e., wiping away the debt when double the amount is paid and the capacity of the debtor to pay or not, what remains then? Then there remains only an interest bill. The House must be clear on the point. The position of the Government has been sufficiently explained by the Diwan Peishkar; his position is that he is absolutely opposed to the principles of the Bill.

The House rose for lunch at 1 p. m. and reassembled at 2-30 p. m. with the Deputy President in the Chair.

* മിസ്റ്റർ കെ. എം. ഇബ്രാഹിം: സർ, ബഹുമാനപ്പെട്ട റവന്യൂ മെമ്പരുടെ ഈ കാര്യത്തിലുള്ള അഭിപ്രായം ഞങ്ങൾക്കു ഒരു നിലയിലും സ്വീകാര്യമായി തോന്നുന്നില്ല എന്നു വ്യസനസമ്മേതം പ്രസ്താവിക്കാതെ തരമില്ല. അദ്ദേഹത്തിന്റെ വാദത്തിന്റെ ഏറ്റവും പ്രധാനമായ ഭാഗം മദ്രാസിൽ ഉണ്ടായ കർഷകസംരക്ഷണ നടപടികളും അഭിപ്രായ വ്യത്യാസത്തിൽ ജനിച്ചതാണെന്നും അഭിപ്രായവ്യത്യാസത്തിൽകൂടി കടന്നുപോയിട്ടുള്ളതാണെന്നും ഇപ്പോഴും അതു അഭിപ്രായവ്യത്യാസത്തിൽ ഇരിക്കുന്നതാണെന്നും ഉള്ള സംഗതിയാകുന്നു.

സർ, ഞാൻ ചോദിക്കുന്നു, ഏറ്റവും വിനയത്തോടും ആദരവോടുംകൂടി ചോദിക്കുന്നു, ബഹുമനക്ഷോഭകരങ്ങളായ യാതൊരു സംഗതികളാണ് അഭിപ്രായ വ്യത്യാസം കൂടാതെ ലോകത്തിലുണ്ടായിട്ടുള്ളതെന്നു്. ഒരു കാലത്തു നാമെല്ലാം കുടനന്മാരായിരുന്നു. അന്നു അവനവന്റെ രാജ്യം അവനവൻതന്നെയായിരുന്നു. ആ കാലം കഴിഞ്ഞു ക്രമീകൃതമായ ഭരണഘടന ലോകത്തിൽ എന്നുണ്ടായോ അന്നുമുതൽ ജനക്ഷോഭകരങ്ങളായ എന്തെങ്കിലും കാര്യങ്ങൾ നിർവ്വഹിച്ചിട്ടുണ്ടെങ്കിൽ അതിനെല്ലാം ഏതെങ്കിലും ഒരു കക്ഷി എതിർ ഉണ്ടായിരുന്നിരിക്കും. ലോകത്തിൽ ജനസംരക്ഷണപരങ്ങളായ യാതൊരു പ്രവൃത്തിയും അഭിപ്രായവ്യത്യാസം കൂടാതെ നടത്തീട്ടില്ലെന്നു നമുക്കു ലോകചരിത്രം തെളിയിച്ചുതരുന്നു. ഞാൻ അധികമായി ചരിത്രത്തിലേക്കു പോകുന്നില്ല.

ഈ കൊച്ചിരാജ്യത്തെ സ്ഥിതിതന്നെ നോക്കുക. ബഹുമാനപ്പെട്ട റവന്യൂ മെമ്പർ അടക്കമുള്ള കൊച്ചി സർവമെമ്പർമാർ, കർഷക ജന്മനിവാരണത്തിനുവേണ്ടി നടപ്പിൽ വരുത്തിയിരുന്നതായ വിധിനിഷ്ഠ വിളംബരത്തിനു എതിരായി എത്ര ശക്തിയായ എതിരുണ്ടായിരുന്നിട്ടും, ഈ രാജ്യത്തെ ജന്മികളും മുതലാളികളും അവരുടെ താല്പര്യസംരക്ഷണത്തിനുവേണ്ടി നിരന്തരമായി എതിർത്തുകൊണ്ടിരുന്നിട്ടും നമ്മുടെ മഹാരാജാവു തിരുമനസ്സുകൊണ്ടു് ഈ രാജ്യത്തു ഭാരിച്ചതിലും പട്ടിണിയിലും കഴിഞ്ഞുകൂടുന്ന കർഷകരുടെ രക്ഷയ്ക്കുവേണ്ടി

* Speech not corrected by the hon'ble member.

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അവരുടെ എതിരുകളെയെല്ലാം അവഗണിച്ചു, തൃണവൽഗണിച്ചുകൊണ്ട്, മഹാരാജാവു തിരുമനസ്സിലേക്കു ബഹുമാനപ്പെട്ട മന്ത്രിസത്തമൻ ഉപദേശം കൊടുത്തതനുസരിച്ചു നമ്മുടെ മഹാരാജാവു തിരുമനസ്സുകൊണ്ട് കർഷക സംരക്ഷണക്കുവേണ്ടി ഒരു വിധിനിത്തു വിളംബരം പാസ്സാക്കുകയും ചെയ്തു. അതുകൊണ്ടു ഞാൻ പറയുന്നതു് ഒരു നല്ലകാര്യം ചെയ്യുന്നതിൽ എപ്പോഴും അഭിപ്രായവ്യത്യാസം ഉണ്ടായിരിക്കുമെന്നുള്ളതാണു്. ഞാൻ ബഹുമാനപ്പെട്ട കൊച്ചി ഗവർമ്മെണ്ടിനേയും ഈ നിയമസഭയേയും അഭിമുഖീകരിച്ചുകൊണ്ടു് പറയുന്നതു് വാസ്തവത്തിൽ ഈ നിയമസഭയിൽ അനുദ്യോഗസ്ഥന്മാർ കൊണ്ടുവന്നിട്ടുള്ള കർഷക സംരക്ഷണപരവും പ്രയോഗികങ്ങളുമായ പല ആലോചനകളും, ഗവർമ്മെണ്ടിനു് ഒരു വിധത്തിലും എതിരുണ്ടാവാൻ നിവൃത്തിയില്ലാത്തതായ പല പല്ലതികളും കൊച്ചി ഗവർമ്മെണ്ടിനു് ഇതേവരെയും നടപ്പിൽ വരുത്തുവാൻ സാധിച്ചിട്ടില്ല എന്നുള്ള സംഗതിയാണു്. കഴിഞ്ഞ ഫെബ്രുവരിയിൽ അതായ്ക ഒരു കൊല്ലത്തിനു മുമ്പു് പലിശയെ സംബന്ധിക്കുന്ന ഒരു പ്രമേയം ഈ നിയമസഭയിൽ വെച്ചു എല്ലാവരും ഐകകണ്ഠ്യേന പാസാക്കിട്ടു് ഇന്നു് അതിന്മേൽ യാതൊരു നടപടിയും എടുക്കാതെ ഗവർമ്മെണ്ടു് വെച്ചുകൊണ്ടിരിക്കുന്നു. അതിനുള്ള ഒരു പ്രധാന സംഗതി പറയുന്നതു് ആ പ്രമേയത്തിൽ ഒരു പുതിയ സംഗതി ഉണ്ടെന്നുള്ളതാണു്. ഗവർമ്മെണ്ടു ഈ നിയമസഭയിൽ ചെയ്തിട്ടുള്ള ഓരോ വാഗ്ദത്തവും നിറവേറുന്നതിനു് ഗവർമ്മെണ്ടിനു് സാധിച്ചിട്ടില്ല. ഗവർമ്മെണ്ടിന്റെ വാഗ്ദത്ത സംരക്ഷണത്തിനു വേണ്ടി ഗവർമ്മെണ്ടിന്റെ അഭിമാനസംരക്ഷണത്തിനു വേണ്ടിയുള്ള ഒരു അനുദ്യോഗസ്ഥ പ്രമേയത്തിനു ഗവർമ്മെണ്ടിനു കായ്മയായി യാതൊന്നും ചെയ്യാൻ സാധിച്ചിട്ടില്ലെന്ന പരിതസ്ഥിതിയിൽ ഇപ്രകാരമുള്ള ഒരു സംരക്ഷണയെങ്കിലും കർഷകന്മാർക്കു ചെയ്യുന്നതിനുള്ള ഒരു മനസ്ഥിതി ഗവർമ്മെണ്ടു് കാണിക്കണമെന്നു പറയുക മാത്രമാണു് ഞാൻ ചെയ്യുന്നതു്. ഫ്ലാൻ-ൽ ഗവർമ്മെണ്ടു് ഒരു കല്പന പാസാക്കിയിട്ടുണ്ടു്. ഒരു പ്രമേയത്തിൽ മറുപടിയായി ഉല്പന്നങ്ങളുടെ വിലക്കുറവിനെ ആസ്പദമാക്കിക്കൊണ്ടു് പലിശയെ നിയന്ത്രിക്കുന്നതായൊരുനിയമം നടപ്പിലാക്കാമെന്നു അന്നു കൊച്ചി ഗവർമ്മെണ്ടിന്റെ പ്രതിനിധി എന്ന നിലയിൽ ദിവാൻജി അവർകൾ ഈ നിയമസഭയിൽ വെച്ചു് പാസാക്കിട്ടുള്ള ആ കല്പന നടപ്പിൽ വരുത്തണമെന്നാണു് ഞാൻ ഗവർമ്മെണ്ടിനോടു് അപേക്ഷിക്കുന്നതു്. ഗവർമ്മെണ്ടു് പാസാക്കുന്ന കല്പനയെ നടപ്പിൽ വരുത്തുവാൻ സാധിച്ചിട്ടില്ലെങ്കിൽ അതു വളരെ കഷ്ടമാണു്. ഗവർമ്മെണ്ടു് പാസാക്കുന്ന കല്പന നടപ്പിൽ വരുത്താൻ സാധിക്കാത്തതു പണ്ടൊരാൾ തൃശ്ശൂരിൽ മോട്ടോർ സൈക്കിൾ ഓടിക്കാൻ പഠിച്ചുപോലെയാണു്. അയാൾ ഓടിക്കാൻ പഠിച്ചു; പക്ഷെ അതു നിർത്താൻ പഠിച്ചില്ല. ഗവർമ്മെണ്ടു് ഇങ്ങിനെ ഒരു കല്പന പാസാക്കിയതിനു ശേഷമാണു് കർഷകന്മാരുടെ രക്ഷയ്ക്കു വേണ്ടി മോറട്ടോറിയം പ്രഖ്യാപനം ചെയ്തതു്.

ഇതിനു മുമ്പത്തെ ബഡ്ജറ്റു് സമ്മേളനത്തിൽ മദ്രാസിൽ പാസാക്കിട്ടുള്ളതുപോലെ ഒരു കർഷക കടനിവാരണ ബിൽ മഹാരാജാവു തിരുമനസ്സിലെ ഒരു വിളംബരം മൂലം ഇവിടെ നടപ്പിൽ വരുത്തണമെന്നു ഈ നിയമസഭയിലെ മെംബർമാർ ഐകകണ്ഠ്യേന അഭിപ്രായപ്പെടുകയുണ്ടായി. ഗവർമ്മെണ്ടിന്റെ പുതിയ ഭരണാലടനയോടു കൂടി രൂപീകൃതമായ ഈ പുതിയ നിയമസഭയിൽ പാസാക്കിട്ടുള്ള പല പ്രമേയങ്ങളും ഇന്നും അതിന്മേൽ യാതൊരു കല്പനയും പാസാക്കാതെ ഇട്ടിരിക്കുകയാണു് ഗവർമ്മെണ്ടു് ചെയ്യുന്നതു്. നിങ്ങളെ വിഷമിപ്പിക്കാനുള്ള ഒരു അഭിപ്രായം ഉണ്ടാക്കാനല്ല ഞാൻ ഇതൊക്കെ പറയുന്നതു്. കൊച്ചി നിയമസഭ ഭൂരിപക്ഷപ്രകാരം പാസാക്കുന്ന പ്രമേയങ്ങൾ ഗവർമ്മെണ്ടു് ഉടനെ നടപ്പിൽ വരുത്തേണ്ടതാണു്. കൊച്ചി നിയമസഭയിൽ ഭൂ

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രിപക്ഷപ്രകാരം പാസാക്കാത്ത പ്രമേയങ്ങൾ ഗവൺമെണ്ടിനെക്കൊണ്ട് നിർബ്ബന്ധിപ്പിച്ചു ചെയ്യിക്കേണ്ടുന്ന ഒരു ചുറുചുറുക്ക് ഇന്നു കൊച്ചിയിലുണ്ടോ എന്നു ഞാൻ സംശയിക്കുന്നു. കൊച്ചി ഗവൺമെണ്ടിന്റെ അന്തസിനേയും നിയമസഭയുടെ അന്തസിനേയും സംരക്ഷിക്കുന്നതിനു വേണ്ടിയെങ്കിലും ഗവൺമെണ്ട് ഇതിൽ ഒരു വിശാലമായ മനസ്ഥിതി കാണിക്കണമെന്നാണ് ഞാൻ പറയുന്നത്. ബഹുമാനപ്പെട്ട ദിവാനുമെമ്പറുടെ വാദത്തോട് യോജിക്കുവാൻ നിവൃത്തിയില്ല എന്നും ഇതിനെ അനുകൂലാഭിപ്രായപ്രകാരം പാസാക്കണമെന്നും മാത്രമേ ഞാൻ അപേക്ഷിക്കുന്നുള്ളൂ.

Mr. A. V. Moothedan (*Chalakkudi*): Sir, I am very sorry to hear the answers of the Diwan Peishkar representing the Government. It was not at all satisfactory. The Viceroy was pleased to say in the course of the Banquet speech, at Ernakulam, about a month ago that the administration of Cochin was progressive. I am very sorry to say after hearing the Diwan Peishkar's speech, that it is not progressive but reactionary. Government ought not to have made a reply so unsympathetic. He even raised objections against the Bill going to a Select Committee. We do not want to ruin one class of people and protect another. We only want to give some relief to the agriculturists whose condition is pitiable. At first I was under the impression that the principles involved in the Bill will be accepted by the Government, and that there will be no objection in referring it to a Select Committee. When the Diwan Peiskhar spoke, all my hopes vanished. When the scope of the Bill is limited to agriculturists of small means, I cannot understand the re-actionary attitude of the Government in opposing this Bill. Is it the case of the Government that nothing should be given by way of relief? I am very glad to say that the Diwan Peishkar said nothing against the second part. He was on the whole, dealing only with the provisions contained in sections 6 and 7 for scaling down of interest. I can console myself that at least the second part is acceptable to the Government. Whatever it may be, I want to press this motion to a division and see how the House votes upon this Bill.

The motion was put and carried.

Secretary to the Council: The title of the Bill is 'The Cochin Agriculturists' Debt Relief Bill.'

Mr. A. V. Moothedan (*Chalakkudi*): I move that the Bill be referred to a Select Committee consisting of the following gentlemen, Messrs. C. R. Iyyunni, T. V. Subramania Ayyar, K. Ashtamoorthi Nambudiripad, M. K. Devassy, V. J. Mathai, M. Sivarama Menon, L. M. Pylee, K. M. Ibrahim, K. R. Viswambharan, the Advocate-General and the mover.

The motion was put and carried.

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Mr. Deputy President: The Advocate-General will be the Chairman of the Committee and the Committee has to report within one month.

2. The Cochin Agriculturist-Debtors' Protection Bill.

***Mr. K. M. Ibrahim** (*Cranganur*): Sir, I beg to move that the Cochin Agriculturist-Debtors' Protection Bill be read in Council. I have tried to make the Bill explanatory as far as possible and I request leave just to read the objects and reasons which will obviate any more explanation on my part:

"The long-term credit which the Cochin Land Mortgage Bank is intended to provide the agricultural debtors with is not a reality due to the rigours of security, insisted on by the Bank. Consequently most of the agriculturists of the State do not get existence. The provisions of this protection Bill cannot but be a consummation to the policy, involved in the establishment of the Land Mortgage Bank, in the promulgation of the Moratorium and Chief Court Circulars for agricultural relief, in the award of instalment-decrees by the courts and in the creation of the Debt Conciliation Board.

Similar legislation has been effected in Italy as early as 1931. In 1932 Switzerland copied the example of Italy. In Norway, Sweden, Denmark and many other European countries laws of this nature have been enacted.

The Government of Cochin have given an eloquent justification for ameliorative measures of this nature when on 2nd March, 1934, they admitted, "Owing to the precipitous fall of agricultural prices, debts incurred by the agriculturists five or more years ago on the security of their lands have now been increased by anything up to 300 per cent (Vide Proceedings of the Diwan dated 2nd March, 1934, L-6-3300/09). This Honourable House won the applause of the world by passing in February 1934, a Resolution reading "This Council recommends to the Government to formulate a scheme to scale down the agricultural debts in proportion to the fall in prices".

Another pillar on which this Bill supports itself is the famous statement, made by the Government in this House on the 3rd Dhanu 1107, according to which in about a decade the number of pattadars in a small village of the State, viz., Azhicode, fell from 457 to 350.

*Speech not corrected by the hon'ble member.

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